



**RHODE ISLAND
COLLEGE**

**School of Social Work
Welfare Reform Evaluation Project**

**Rhode Island Family Independence Program
Longitudinal Study**

*A study of the impact of welfare reform
on Rhode Island's beneficiaries*

Baseline Report

January 2001

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Table of Contents

Glossary	6
Executive Summary	8
Description of Family Independence Program	9
The evaluation study	11
Findings	11
Economic and financial well being	11
Employment issues and reasons no longer employed	12
Experience with the Department of Human Services (DHS)	14
Qualitative data (respondents answers to open-ended questions)	14
Summary and conclusions	15
Report of the baseline data collection	17
Introduction	17
Description of the Family Independence Program	18
The evaluation study	20
Research question and learning objectives	21
Findings of the baseline data analysis	Error! Bookmark not defined.
Major Findings	23
Economic and financial well being	23
Characteristics of above-Federal Poverty Level households	24
One-parent and two-parent cases	26
Employment issues	28

Reasons for not being employed	30
Transportation issues	30
Family issues	32
Housing and neighborhood	Error! Bookmark not defined.
Languages spoken.....	Error! Bookmark not defined.
Housing, rents and evictions.....	33
Child well-being issues	34
History with the Rhode Island Department of Human Services (DHS).....	36
Other suggestions for improving the welfare system	40
Summary	41
References.....	43
APPENDIX: Methodology and Description of the Sample	45
Limitations of the study.....	47
FIP legislation and implementation timetable.....	Error! Bookmark not defined.

Glossary

In the course of this report, several abbreviations, acronyms and terms are used. As each is introduced, we use its full name and describe what it is. Periodically we re-explain the “short-hand” language for the convenience of the reader. Here is a listing of the frequently-used terms:

- **AFDC:** Aid to Families with Dependent Children, the federal “welfare” program that was phased out by federal welfare reform and replaced by TANF (Temporary Assistance for Needy Families) in 1996.
- **Child Care:** Funded through both state and federal dollars, the Rhode Island Child Care Subsidy program supports low income working parents through subsidizing the cost of child care for families whose income is below 225% of the Federal Poverty Level (FPL). The eligibility level for child care subsidy was 185% of FPL at the time of baseline data collection. If the family is still on FIP, the program may provide 100% support for parents in training, education and/or employment.
- **Child-Only Cases:** Cases without an adult in the FIP payment (e.g., parent(s) receive SSI).
- **DHS: (Rhode Island) Department of Human Services:** The state department responsible for implementing welfare in Rhode Island.
- **Earned Income Tax Credit (EITC):** A federal tax credit or cash refund to employed workers whose incomes fall below certain guidelines (varies by family size). EITC is not an automatic adjustment; employee must apply on his/her federal tax return.
- **FIA:** Family Independence Act, Rhode Island’s legislation that created the state’s version of welfare reform, passed and signed in 1996.
- **FIP:** Family Independence Program, Rhode Island’s welfare reform program under TANF, created by FIA. Implementation began on May 1, 1997.
- **Food Stamps:** Nutrition assistance program for needy individuals and families that provides monthly food benefits utilizing an electronic benefit transfer (EBT) card.
- **FPL:** Federal Poverty Level first calculated in the 1960s, based on the cost of a hypothetical nutritional and cost-efficient food basket at that time, multiplied by three (because food was thought to account for one-third of families’ expenses) and adjusted annually for inflation and family size.
- **Income Disregard:** A formula applied under FIP, which allows working beneficiaries to keep their cash assistance up to the first \$170 per month, plus \$1 of every \$2 earned until their household income surpasses FIP eligibility limits.

- **PRWORA:** Personal Responsibility and Work Opportunity Reconciliation Act, passed by the U.S. Congress and signed by President Clinton in 1996, replacing AFDC with TANF. TANF is Title I of PRWORA.
- **RIC:** Rhode Island College. The School of Social Work at RIC is conducting an evaluation of FIP (Family Independence Program) for DHS (Department of Human Services) by tracking a sample of FIP participants for five years.
- **RIPTA:** Rhode Island Public Transportation Authority. RIPTA through contract with DHS, provides bus passes to FIP families at no cost. Since the baseline period, RIPTA and DHS have begun to provide a new flexible van service for FIP working parents who otherwise would not have any means of transportation to and from their job sites and child care providers.
- **Rite Care:** Rhode Island's medical assistance program for low income children, parents and pregnant women.
- **SSI, SSDI:** Monthly federal cash benefits for individuals with disabilities, under the age of 65. SSI has an income eligibility requirement. SSDI is available to people (and their dependents/survivors) who have established eligibility under Social Security.
- **TANF:** Temporary Assistance for Needy Families, the federal program that replaced AFDC. TANF is time-limited, work-focused and varies substantially from state to state.
- **WIC:** Women, Infants and Children, a food voucher program which provides eligible families and pregnant women with \$45 per month which must be used for approved nutritional products.

Executive Summary

Background

This is a report of a 3.4 percent sample of Rhode Island's population that was participating in the state's Family Independence Program (FIP) at the time the program was first implemented, primarily in 1997-1998. The report is the first of a series of annual reports of how the same sample is faring under welfare reform.

On August 22, 1996, Congress passed and President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which ended the 60-plus-year-old entitlement program, Aid to Families with Dependent Children (AFDC) and replaced it with capped block grants to the states, Temporary Assistance to Needy Families (TANF). Less than three weeks earlier, Rhode Island had enacted its own welfare reform program, the Family Independence Act (FIA). The Rhode Island plan, unlike those of most states, emphasizes preparation for employment and work supports rather than requiring parents to work first. Under the Rhode Island law, the Department of Human Services (DHS) was designated to administer the state's version of TANF, entitled the Family Independence Program (FIP), which took effect on May 1, 1997.

The new state legislation required The Rhode Island Board of Governors for Higher Education to conduct and publish annual reviews of the program. The School of Social Work at Rhode Island College and the Taubman Center at Brown University, with a start-up grant from the Rhode Island Foundation, developed and submitted an evaluation plan during the spring and early summer of 1997. The result was a plan for the School of Social Work to evaluate the impact of welfare reform on program participants by tracking a representative sample of FIP recipients for five years, to see how the new law would affect them, their children and other family members. The Board of Governors recognized the School of Social Work's proposal as the evaluation plan specified in the FIA and data collection began in February, 1998.

A third funding partner (besides DHS and the Rhode Island Foundation), the United Way of Southeastern New England, financed translations of data collection instruments into the seven most common languages spoken by FIP recipients, sponsored one of the student research assistantships during the baseline data collection period, and provides support for the project manager position. RIC itself supported the project through some faculty release time, faculty research grants, in-kind contributions (such as phones, office space, mailings and duplicating) and two sabbatical leaves, one for each of the co-directors of the project. Soon after the project began, an evaluation sub-committee of the FIP Implementation Task Force, an advisory group to DHS comprised of representatives from state departments and private agencies involved in welfare reform and services to FIP participants, as well as FIP recipients themselves, was organized to oversee all evaluative research. The advisory subcommittee is co-chaired by DHS and the RIC SSW and includes representatives from the United Way, the Taubman Center and Rhode Island Kids Count, among others.

The recruitment of a sample took about two years. The sampling period was extended until a representative sample could be assembled. Sampling was concluded in late 1999, but the vast majority of the sample was recruited over a 12-month period from mid-1998 to mid-1999. The sample consisted of 638 people (3.4 % of the state FIP caseload at that time) who were all Family Independence Program recipients at the time they participated in their first interviews with the RIC evaluation team. This report is a description of the baseline sample early in their experience with FIP.

Description of Family Independence Program

At the federal level, TANF differs significantly from AFDC. What had been an entitlement program became a block grant to the states with a few general rules attached; states were to develop their own plans for federal review. The federal caveats included a five-year time limit for families to receive federally-subsidized cash benefits and a stringent work requirement for most recipients after two years of benefits.

In Rhode Island, the Family Independence Act (FIA) is the state's version of welfare reform. It is administered by the Rhode Island Department of Human Services (DHS) as the Family Assistance Program (FIP).

Major policy points of FIP are:

- FIP emphasizes supporting families by helping to prepare them to earn sufficient income to meet their needs.
- FIP provides families with case management to help with their social and emotional needs.
- FIP allows both parents to live in the home (AFDC required that one parent be absent, disabled or unemployed).
- FIP allows families to keep the first \$170 in earned income without deductions in cash benefits, and deducts \$1 of every \$2 earned thereafter, until their countable income exceeds eligibility guidelines.
- Cash benefits under FIP stayed about the same as under AFDC, except that families in public or subsidized housing now have a \$50 per month reduction in benefits.
- FIP provides a list of criteria for exemptions from participating in employment activities including third trimesters of pregnancies, caring for a child under one year old, primary caretaking for a disabled family member, being a caretaker over age 59, incapacity of the parent and victims of domestic violence.

- While there is a five-year limit on cash benefits under TANF (compared to no time limit under AFDC), in Rhode Island there is no time limit for children.
- The five-year eligibility limit under FIP begins when the family's needs are assessed and an individual employment plan is developed and signed. The plan is designed to help the participant become employable at a wage that can at least move the family above the FPL, taking into account the person's work history, education and interests.
- Under certain circumstances, time counted toward the five-year eligibility limit can be interrupted, including when the person is unable to participate in work-related activities for any of several reasons, or works at least 30 hours per week (this provision was added after the baseline period).
- Eligibility for FIP may be extended after 60 months for hardship exemptions.
- The first 24 months under the FIP employment plan may be used for education, training or work readiness, for example high school equivalency studies (GED), English as a Second Language classes (ESL), job skills training, or post-secondary education; parents enrolled in post-secondary or vocational training before their 25th plan month may continue in those activities through their 36th plan month; parents who need ESL or basic literacy may participate in those activities after their 24th month.
- Even when a family's income exceeds FIP eligibility limits, the family may still be eligible for child care subsidies (child under 16 and within child care income guidelines).
- Families that go off cash assistance remain eligible for RIte Care (Rhode Island's medical assistance program for low income children, parents and pregnant women) for 18 months, longer if their income is within guidelines.

In sum, TANF differs from AFDC by replacing an entitlement program with a state time-limited transition-to-work block grant. In Rhode Island, the state's version of TANF, the Family Independence Program (FIP), allows preparation for employment, and work supports, rather than requiring parents to work first. The federal time limits are not applied to children; the time limit can be extended for adults under certain circumstances. The five year cash benefit period for adults is designed to be a time in which participants are prepared for sustained employment which will support their families over time. In contrast to other states, where TANF participants who have left cash assistance have seen their incomes decrease dramatically (Kendall, 2001, p. 34; Pear, 2000), Rhode Island has opted to invest in families for up to five years, with the anticipated result, "family independence," a reasonable expectation after the investment period.

The evaluation study

The evaluation study began in February 1998. Data came from two related activities: 45-minute interviews with FIP recipients and reviews of their records at DHS. Both exercises were conducted primarily by RIC social work students (graduate and undergraduate) who had been trained in the data collection methods. Interviewees receive \$10 for each interview in which they participate. The study plan is to re-interview each participant at his or her anniversary of the baseline interview three times. At the time of each interview, RIC research assistants will collect data from DHS records. It is planned that the instruments will be largely unchanged through each stage of the research so that identical data can be tracked for the duration of the study.

In order to recruit a sample, the research team and DHS arranged for signs and verbal announcements to inform FIP recipients of the study and its \$10-per-interview stipend. The result was a sample who were interviewed primarily at state welfare offices at the time they came in for FIP or other DHS appointments. Other interviews were conducted at FIP informational classes. The sample of FIP participants is representative of the overall FIP caseload during the baseline period in terms of geographic distribution, ethnicity, education and household and family composition.

Findings

Economic and financial well being

In its 1999 Family Independence Program (FIP) Annual Report, entitled “Steady Progress,” the Rhode Island Department of Human Services (DHS), described the state as having taken the “road less traveled.” From the report: “Opting for a system of long term investment in families’ ability to support themselves rather than the quick push into low wage jobs favored in many other states, the Family Independence Act (FIA) offers a system of positive incentives, education, training, and job placement assistance as well as work supports such as child care and health care. Additionally, the FIA encourages two parent families to stay together and allows them to receive cash benefits if their income is low enough to qualify, correcting a negative effect of the old program which made families ineligible if both parents were in the household” (Rhode Island DHS, 1999, 1-1).

The FIA provides for individualized work readiness services, realistic work incentives, family and child supports and assurance that no one would be penalized for the state's inability to prepare them for work [i.e., time toward the five year eligibility limit does not start until a work readiness plan is written; most states start the clock the day an application is taken or approved] (RI DHS, 1997, pp. 6-6 - 6-18). In its conceptualization, the FIA took a more strategic approach to the goal of families’ economic self sufficiency than most states’ work-first programs which are reducing welfare roles but not necessarily improving the economic conditions of former recipients (Kendall, 2001, 34-35; Pear,

2000). Instead, Rhode Island's focus is to "...support those families that are trying to support themselves..." (Rhode Island DHS, 1999, 1-2).

The formula for calculating eligibility, including income disregard for working families, was implemented on May 1, 1997. Instantly, 2,224 families (13.9% of the DHS caseload excluding child-only cases) had their income increase due to the new income disregard that acts as a wage supplement. For the remainder of that year, the percent of the caseload (excluding child only cases) that was employed and therefore benefited from the income disregard policy rose and leveled off at 23.8% (3,784 of 15,918 households, the DHS caseload excluding child-only cases in December, 1997). At baseline, 126 members of the sample (19.7%) were reported by DHS as having some amount of income disregard, ranging from \$1 to \$875.88 (averaging \$382.62), which was added to cash assistance, unearned income and, presumably, food stamps. Food stamps for the 126 households ranged from \$0 (n=6) to \$519, averaging \$137.03 for those who received them.

The sample's monthly household income at baseline ranged from \$0 (one case) to \$1,913.75, averaging \$667.45, counting earned and unearned income, cash benefits and income disregard. Excluded were vouchers (e.g., food stamps and WIC), earned income tax credits and other undocumentable or voucher income. On the basis of DHS records of recipients' household income at baseline, 31 of 638 (4.9%) households were above the federal poverty level at baseline, using poverty statistics in effect at that time (1997 prices). Factors that were significantly and positively correlated with above-FPL income were employment, hours of paid work, amount of earned income, amount of income disregard, receiving SSI income, and fewer people in the household. When food stamps are added to total income (which is inconsistent with federal poverty data practice), the 600 households in the sample receiving food stamps had their income increase an average of 33.3% (\$222.26), and 36 additional households' income surpassed the FPL threshold.

While two-parent households are not over represented in the above-FPL category, they are financially better off than one-parent households. Two-parent cases have higher income disregard (reflecting greater earned income) and total household income. They have more children and higher levels of participation in WIC. They receive more in food stamps and pay more in rent, which is probably due to having more family members.

These data indicate that in contrast to other states, in which caseloads were reduced immediately, Rhode Island's human investment strategy (which articulated a work support and child well-being priority) showed early signs of effectiveness.

Employment issues and reasons no longer employed

Almost 90 percent of the full sample told interviewers that they had worked for pay in the past; 85.7 percent said they were very or somewhat confident that they will find a job in the future. This is consistent with national data showing that people who receive cash assistance usually have strong orientation to work (Pear, 2000). More than one in five (n=140, 21.9% of the sample) were employed at the time of their baseline interview, an average of 22.7 hours per week, according to DHS data. Their families averaged \$939.31 in total household income per month. In contrast, the 78.1

percent of the sample that wasn't working for pay [n=498] had average household total incomes of \$591.03 [p<0.00]. As mentioned earlier, the combination of two or more income sources (wages, income disregard and unearned family income [e.g., SSI]) raised 31 sample members' households above the FPL.

Seven reasons for not being employed were mentioned by 84.4 percent of the respondents (322 of 382) who were not employed at baseline. The single most frequent reason was pregnancy (19.9%), followed by laid off, fired or quit (13.9%), child care issues (13.1%), seasonal, temporary or part-time employment (11%), injured, disabled or illness (10.5%), recently moved (9.2%) and full-time mother (6.8%). The remaining 119 comments were scattered over seven items.

Three-quarters of respondents (75.4%) expressed satisfaction with their transportation arrangements; 44 percent said public transportation meets their needs. Transportation adequacy, satisfaction and patterns varied by cities and towns in the state. Almost half of the sample (48%) reported using free RIPTA bus passes; almost 90 percent knew they were eligible for the passes but non-RIPTA riders either had other arrangements (18.8%), no available RIPTA service (6.7%) or said the RIPTA bus pass was too much trouble to get (7.1%). Of the 28 percent of respondents with cars, about 40 percent trust their cars for routine use. Employed respondents were significantly more likely to use a car to get to work, training or education programs than those who were not employed but involved in education of training. Almost half of these respondents (45%) reported missing some work, training or education activities due to transportation problems.

Housing data drew an inconclusive picture of the sample. On the plus side was rent subsidies, which were statistically correlated with lower rents and income above the FPL. Almost 40 percent of the sample (37.8%) were receiving housing subsidies and were paying an average of \$126 less in rent than those without subsidies [p<0.00]. Families receiving rent subsidies had more than twice the incidence of above-FPL income (7.5%) than non-subsidized families (3.3%) [p<0.02], and averaged \$38.82 per month in total household income more than non-subsidized families, not counting the subsidies. On the problematic side, 45.8 percent of the sample changed residences during the previous year, mostly to improved situations, but more than 5 percent of the sample had been evicted during the previous year. The vast majority said they lived in safe neighborhoods. More non-subsidized families used RIPTA (53.9%) than subsidized families (44.1%) [p<.02].

Child well-being is an outcome indicator of concern across the country. At baseline, child well-being data were mixed. Participation in child nutrition programs was high with all but 15 percent involved in at least one of the three food supplement programs (i.e. WIC, school breakfast or school lunch). About one-third of those reporting had been unable to work during the previous year due to a child's needs; another half of those reporting had missed some work or work preparation activities due to children's needs (an average of almost three work weeks during the previous year). Of those with child care arrangements, more than 90 percent were satisfied with those arrangements although 29 percent (73) had changed childcare providers during the previous year. Almost 90 percent of respondents were satisfied with their overall child care plans.

Experience with the Department of Human Services (DHS)

Almost 60 percent were in their first cash assistance episode according to DHS records. More than 90 percent had been on welfare once or twice, or not at all, before this episode. About one-fifth were long-term recipients (36 months or more over all episodes), with Blacks over-represented and Hispanics and Asians under-represented in comparison to their percentage of the sample. Participants' satisfaction with their DHS experiences were very high according to quantitative interview data. Between 72 percent and 85 percent reported positively on FIP Plan satisfaction and DHS staff availability items. The interview asked respondents whether they knew about nine components of the FIP Program. More than half of the respondents were aware of five of the nine aspects of the program that were tested. The range was from 26 percent knowing about health insurance availability for licensed family child care providers to almost 88 percent knowing that they were eligible for free bus passes. The most common source of information was a DHS staff person.

Qualitative responses to open-ended questions

The interview included several opportunities for respondents to provide information in their own words. At the end of the interview, three open-ended questions were asked: "Generally, how do you feel about welfare reform?", "If you could suggest any change to improve the welfare system, what would you suggest?", and "Do you have any other comments?". The third question yielded very few responses, all of which fit either of the first two questions, and were reported as such.

Qualitative data were generally positive but included many suggestions for how FIP could be improved. As noted in the report, it is not unusual for open-ended data to be inconsistent with numerical data because the questions themselves draw attention to particular feelings and perspectives. It is not inconsistent for a respondent to say s/he is generally satisfied with (aspects of) FIP but then to cite some criticisms and suggestions when asked for comments. One can be satisfied in relation to expectations and/or previous experiences, yet have concerns and criticisms. These are not mutually exclusive perceptions. In fact, the generally positive nature of the qualitative comments is noteworthy.

While the most frequently mentioned single suggestion was treatment by DHS staff and DHS administration (27.9% of comments), overall more comments (72.1%) addressed a variety of FIP policies than how recipients were treated. Areas of concern were the low level of cash assistance, the need for other assistance and concerns about education, training, and cash assistance time limits. These results suggest that respondents considered these open-ended questions thoughtfully and not as an opportunity to gripe. In providing comments, the beneficiaries did not necessarily know what was possible under the legislation, or what DHS was responsible to provide, at least in part because they were interviewed early in their experience with the program.

Summary and conclusions

The sample of 638 FIP participants (3.4% of the state caseload) was drawn during the time DHS was implementing welfare reform by engaging people in FIP plans. The sample was reasonably representative of the overall state caseload at the time the study began. All study participants were interviewed by students and faculty members from the Rhode Island College School of Social Work, who also collected data from participants' DHS records, with explicit permission granted by participants. Interviews were conducted in participants' preferred languages. This process of interviews and file reviews is scheduled to continue for a five-year period. Every category of questions is scheduled to be asked at each phase of the evaluation study.

The state's program allows participants to keep some earned income in addition to cash assistance, on a decreasing basis as earned income increases. This "income disregard" approach of investment in people is a contributor to moving 31 households in the sample (4.9%) over the federal poverty level. This is an historic occurrence in Rhode Island as income transfer programs rarely have been documented as moving people above the FPL in the past. Almost 20 percent of the sample that were employed when FIP was implemented immediately experienced improvements in their families' income. In that almost 90 percent of the sample reported that they had worked for pay in the past, the policy of rewarding work through an income disregard mechanism appears to be an important welfare reform component. There is reason to be concerned about the adequacy of family incomes after their five-year time limits expire.

Housing and child well-being data were mixed. The vast majority of the sample said they live in safe neighborhoods (day or night). Almost 40 percent of the sample received a housing subsidy. But almost half of the sample moved during the previous year, mostly to improved situations, 5 percent of the sample had been evicted during the previous year. Participation in children's nutrition programs was high (all but 15 percent in at least one such program). But of those reporting, one-third had been unable to work in the previous year and half had missed an average of almost three work weeks due to children's needs. Of those with childcare arrangements, almost 90 percent were satisfied with their arrangements but almost one-third had changed providers during the prior year.

In view of these findings from quantitative data, it is also noteworthy that on all of the satisfaction questions asked in interviews, respondents were overwhelmingly satisfied. On qualitative questions (overall feelings and suggestions regarding welfare reform), the majority of comments were positive or mixed but more critical of DHS and welfare policies than the quantitative data. In particular, respondents expressed suggestions for improving their treatment by DHS personnel and the administration of FIP, and made suggestions about such policies as the five-year time limit, levels of cash assistance, and the need for more non-cash supportive services.

Overall, the area in which the sample at baseline presented the clearest picture is employment. The work ethic is evident in this population. Very large percentages worked in the past and are oriented to working in the future. For 4.9 percent of the sample total household income exceeded the federal poverty level. Hourly wages combined with hours working per week, income disregard and unearned income (e.g., SSI), were the statistically significant factors.

For those who were not employed, two major reasons that people were not at their former jobs were identified in interviews: pregnancy and being laid-off or quitting. In addition, while most respondents reported satisfaction with their transportation arrangements and were highly aware of their eligibility for a free RIPTA bus pass, there was considerable disparity among study participants about the adequacy of public transportation on the basis of town or city of residence. Those with jobs were significantly more likely to have reliable cars for everyday use.

In general, this sample appears to be satisfied with their early experiences with welfare reform, optimistic about their futures, and benefiting from the work incentives encompassed in the law. The sample also appears to be at risk. In each category of inquiry, there is evidence of challenges to families' well-being. For example, should FIP income disregards and/or supplemental support programs like food stamps decrease or discontinue, the advantage of working disappear due to low wages and work hours. Although factors such as WIC and the earned income tax credit have not been quantified in these analyses, changes in these programs would also impact FIP recipients and other low-income people. The jobs, hours and wages only worked in conjunction with the entire package of cash, unearned income and other supports to raise some households above the federal poverty level.

Baseline Report

Introduction

On August 22 1996, Congress passed and President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, which ended the 60-plus-year-old entitlement program, Aid to Families with Dependent Children (AFDC) and replaced it with capped block grants to the states, Temporary Assistance to Needy Families (TANF). Less than three weeks earlier, Rhode Island had enacted its own welfare reform program, the Family Independence Act (FIA). The Rhode Island plan, unlike those of most states, emphasizes preparation for employment and work supports rather than requiring parents to work first.

Under the Rhode Island law, the Department of Human Services (DHS) was designated to administer the state's version of TANF, entitled the Family Independence Program (FIP), which took effect on May 1 1997.

The new state legislation required The Rhode Island Board of Governors for Higher Education to conduct and publish annual reviews of the program. The School of Social Work at Rhode Island College and the Taubman Center at Brown University, with a start-up grant from the Rhode Island Foundation, developed and submitted an evaluation plan during the spring and early summer of 1997. The result was a plan for the School of Social Work to evaluate the impact of welfare reform on program participants by tracking a representative sample of FIP recipients for five years, to see how the new law would affect them, their children and other family members. The Board of Governors recognized the School of Social Work's proposal as the evaluation plan specified in the FIA. DHS approved the School of Social Work's proposal and a contract was signed between Rhode Island College and the Rhode Island Department of Human Services in February 1998. The data collection for the evaluation began in February 1998.

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Description of the Family Independence Program

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In Rhode Island, the Family Independence Act (FIA) is the state's version of welfare reform. It is administered by the Rhode Island Department of Human Services (DHS) as the Family Assistance Program (FIP). Major policy points of FIP are:

- FIP emphasizes supporting families by helping to prepare them to earn sufficient income to meet their needs.
- FIP provides families with case management to help with their social and emotional needs.
- FIP allows both parents to live in the home (AFDC required that one parent be absent, disabled or unemployed).
- FIP allows families to keep the first \$170 in earned income without deductions in cash benefits, and deducts \$1 of for every \$2 earned thereafter, until their countable income exceeds eligibility guidelines.
- Cash benefits under FIP stayed about the same as under AFDC, except that families in public or subsidized housing now have a \$50 per month reduction in benefits.
- FIP provides a list of criteria for exemptions from participating in employment activities including third trimesters of pregnancies, caring for a child under one year old, primary caretaking for a disabled family member, being a caretaker over age 59, incapacity of the parent and victims of domestic violence.
- While there is a five-year limit on cash benefits under TANF (compared to no time limit under AFDC), in Rhode Island there is no time limit for children.

- The five-year eligibility limit under FIP begins when the family's needs are assessed and an individual employment plan is developed and signed. The plan is designed to help the participant become employable at a wage that can move the family at least above the FPL, taking into account the person's work history, education and interests.
- Under certain circumstances, time counted toward the five-year eligibility limit can be interrupted, including when the person is unable to participate in work-related activities for any of several reasons, or works at least 30 hours per week (this provision was added after the baseline period).
- Eligibility for FIP may be extended after 60 months for hardship exemptions.
- The first 24 months under FIP may be used for education, training or work readiness, for example high school equivalency studies (GED), English as a Second Language classes (ESL), job skills training, or post-secondary education; parents enrolled in post-secondary or vocational training before their 25th month may continue in those activities through their 36th month; parents who need ESL or basic literacy may participate in those activities after their 24th month.
- Even when a family's income exceeds FIP eligibility limits, the family may still be eligible for child care subsidies (child under 16 and within child care income guidelines).
- Families that go off cash assistance remain eligible for RIte Care (Rhode Island's medical assistance program for low income children, parents and pregnant women) for 18 months, longer if their income is within guidelines.

In its 1999 Family Independence Program (FIP) Annual Report, entitled "Steady Progress," the Rhode Island Department of Human Services (DHS), described the state as having taken the "road less traveled". From the report: "Opting for a system of long term investment in families' ability to support themselves rather than the quick push into low wage jobs favored in many other states, the Family Independence Act (FIA) offers a system of positive incentives, education, training, and job placement assistance as well as work supports such as child care and health care. Additionally, the FIA encourages two parent families to stay together and allows them to receive cash benefits if their income is low enough to qualify, correcting a negative effect of the old program which made families ineligible if both parents were in the household" (RI DHS, 1999, 1-1).

The FIA provides for individualized work readiness services, realistic work incentives, family and child supports and assurance that no one would be penalized for the state's inability to prepare them for work [i.e., time toward the five year eligibility limit does not start until a work readiness plan is written; most states start the clock the day an application is taken or approved] (RI DHS, 1997, pp. 6-6 to 6-18). In its conceptualization, the FIA took a more strategic approach to the goal of families' economic self sufficiency than most states' work-first programs which are reducing welfare roles but not necessarily the economic conditions of former recipients (Kendall, 2001, 34-35; Pear, 2000). Instead, Rhode Island's focus is to "...support those families that are trying to support themselves..." (Rhode Island DHS, 1999, 1-2).

In sum, TANF differs from AFDC by replacing an entitlement program with a state time-limited transition-to-work block grant. In Rhode Island, the state version of TANF, the Family Independence Program (FIP), allows preparation for employment, and work supports, rather than requiring parents to work first. The federal time limits are not applied to children; the time limit can be extended if necessary. The five year cash benefit period for adults is designed to be a time in which participants are prepared for sustained employment which will support their families over time. In contrast to other states, where TANF participants who have left cash assistance have seen their incomes decrease dramatically (Kendall, 2001, p. 34; Pear, 2000), Rhode Island has opted to invest in families for up to five years, with the anticipated result, "family independence," a reasonable expectation after the investment period.

The evaluation study

The evaluation study began in February 1998. Data came from two related activities: 45-minute interviews and reviews of records at DHS. Both exercises were conducted primarily by RIC social work students (graduate and undergraduate) who had been trained in the data collection methods. Interviewees receive \$10 for each interview in which they participate. The study plan is to re-interview each participant at his or her anniversary of the baseline interview four times, for a total of five interviews. At the time of each interview, RIC research assistants will collect data from DHS records. It is planned that the instruments will be largely unchanged through each stage of the research so that identical data can be tracked for the duration of the study.

Indicators of FIP's progress, in order to evaluate accurately the program's effectiveness, will include indicators of economic well-being rather than merely numbers of families enrolled in cash assistance. This report identifies those indicators and describes where a representative sample of FIP participants fell on those measures at the time they enrolled in the new program. The evaluation study will follow the same sample for five years, using essentially the same data collection instruments, to assess their progress on the same indicators.

In spite of the many welfare reform studies going on nationwide, little assessment of intervening variables has been published; even direct affects are proving difficult to document (Jacobs, 1997; DeParle, 1997a, 1994a). For example, welfare rolls are down across the country, to the lowest level in history when calculated as a percent of the population (Jeter, 1997). But no one is quite sure why (Cohen, 1997; DeParle, 1997a; Pear, 2000). Some point to the economy, which is on a protracted upswing; others credit the new rules and all the public attention that has been generated since President Clinton signed the new federal law in 1996 (and earlier in states like Wisconsin that had received federal waivers to experiment with roll-reduction plans as long as a decade ago) (Alter, 1997; Dionne, 1997; Swarns, 1997).

As some states have learned and publicly acknowledged, reducing the welfare rolls is neither an end unto itself nor easily accomplished with a single, simple policy approach. If welfare reform is going to "work," it will be because quality of life off welfare is integrated into the policy objective (Allen and Kirby, 2000; DeParle, 1997b,c, 1994b; Golden, 1997; MFIP, 1999). In Rhode Island, with a welfare reform program that is both comprehensive and measurable (Bromley and Weisman,

1997), there is an opportunity to document those variables that contribute to positive and negative outcomes.

Research question and learning objectives

The research question guiding the evaluation of FIP is: What are the impacts of welfare reform on FIP beneficiaries in Rhode Island?

Specific outcome measures were identified as:

- levels of income and support at various stages of FIP involvement.
- levels of income and support post FIP involvement (“welfare leavers”).
- correlation between education and training received and types of employment obtained post completion.
- correlation between education and training received and levels of income post completion.
- ability of participants to transition to employment.
- effects of housing instability, illness or other reasons/issues on participants’ ability to meet FIP requirements for education, training and/or employment.
- correlation between access to transportation and ability of participants to access and/or maintain training, education and employment.
- correlation between access to childcare and ability of participants to access and/or maintain training, education and employment.

Qualitative responses to open-ended questions

The baseline sample consists of 638 cases, all of whom had baseline interviews and case record reviews. All cases were on FIP (Rhode Island’s Family Independence Program) at the time of their baseline interview. This sample is fairly representative of the full DHS caseload on key demographic data (see appendix). Quantitative reports came from two sources, baseline interviews and DHS records, which we label. Where numbers and percents are given, they are based on actual responses to each item, exclusive of “missing values” (no answers given).

The interviews included brief comments from Rhode Island welfare recipients, which gives us a snapshot of their feelings, opinions and ideas. Qualitative data that often “fill in the blanks” provide insights that quantitative data alone cannot do. This report combines the quantitative data collected in the baseline interview with qualitative data from open-ended questions at the conclusion of the interview, particularly suggestions for improving the welfare system. These data are presented in most sections under the heading: ***Respondents’ Comments***.

The questions asked of all study participants were as follows: “Generally, how do you feel about welfare reform?” “If you could suggest any change to improve the welfare system, what would

you suggest?"; and "Do you have any other comments?" In this report, the very few responses to the third open-ended question are distributed between the first two items: feelings and suggestions, depending on the respondent's intent. These questions were designed to gain the thoughts and feelings of welfare recipients, which may not have been elicited elsewhere in the research.

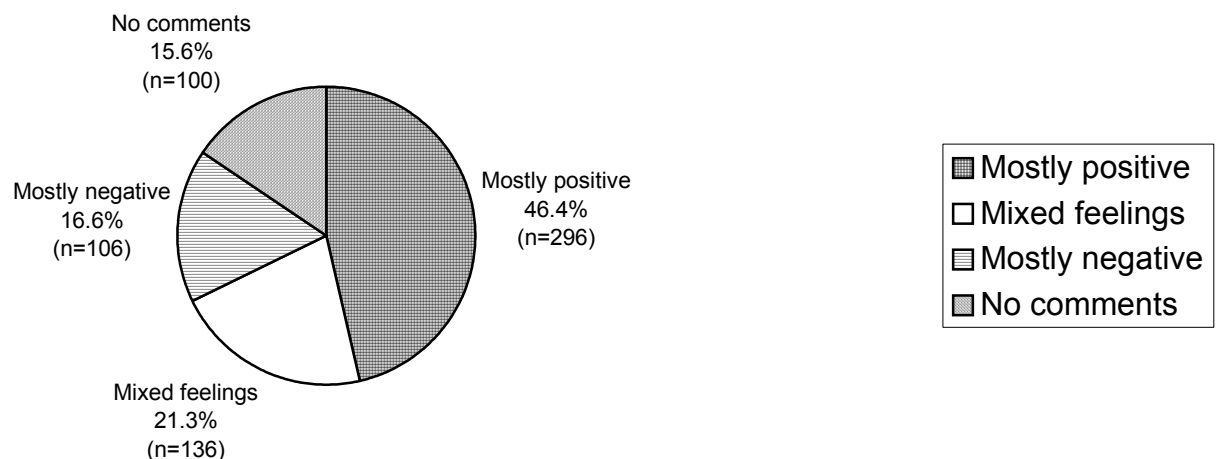
As part of the analysis, interview responses were reviewed to identify themes and broad categories of concerns. Issues that emerged were tallied, categorized and subdivided when necessary. The answers provided by the recipients were often quite brief, many only one or two sentences. This made the process fairly straightforward but mistakes are possible as the data are being interpreted. All efforts were made to categorize responses while remaining true to the meaning and intent of the recipients' comments.

Categories of concern from respondents:

Theme one: Feelings about welfare reform

As reported in Figure 1 below, on the first question, 46.4 percent of the recipients (296) reported mostly positive feelings about welfare reform at the time of their interview, 21.3 percent (136) had mixed feelings about the changes in the welfare system, and 16.6 percent (106) had largely negative feelings; 15.6 percent (100) of the sample chose not to comment or did not have enough information to respond. The total of 99.9 percent is due to rounding.

Figure 1:
Generally, how do you feel about welfare reform?



Theme two: Suggested improvements

Eight hundred policy suggestions were given by 465 of the 638 (72.9%) sample members, in response to the second question. Suggestions centered on six major areas listed in descending order:

- Improved treatment and administration by DHS (223; 27.9%).
- Increased financial assistance to recipients (122; 15.3%).
- Increased and improved employment and training programs (118; 14.8%).
- Extended or eliminated time limits (97; 12.1%).
- Enhanced focus on educational programs (66; 8.3%).
- Changes in child care policy (52; 6.5%).

These six categories account for 678 of the 800 policy suggestions (84.9%). An additional 122 comments (15.3%) were made. Seventy-two recommendations (9.0%) fell into four additional categories (stricter welfare rules, extend medical care, improve transportation, and enforce child support rules); the remaining 50 (6.3%) consisted mainly of one-of-a-kind responses which could not be categorized. These are discussed later. The totals on this item exceed 100% due to rounding.

Specific comments are organized by topics and presented with corresponding quantitative data from interviews and DHS records. We have included a section at the end of this report describing research issues inherent in qualitative research in general, and specifically as they occurred in this study.

Major Findings

Economic and financial well being

When FIP went into effect on May 1 1997, 2,224 families (13.9% of the DHS caseload excluding child only cases) benefited immediately because they had an adult with earned income and FIP included a more generous income disregard than AFDC. At baseline, 126 members of the sample (19.7%) were reported by DHS as having some amount of income disregard, ranging from \$1 to \$875.88 (averaging \$382.62), which was added to cash assistance, unearned income and, presumably, food stamps. Food stamps for the 126 households ranged from \$0 (n=6) to \$519, averaging \$137.03 for those who received them. By the end of 1997, 23.8 percent of the DHS caseload (excluding child only cases) was employed and receiving income disregard.

The sample's monthly household income at baseline ranged from \$0 (one case) to \$1,913.75, averaging \$667.45, counting earned and unearned income, cash benefits and income disregard. Excluded were vouchers (e.g., food stamps and WIC), earned income tax credits and other non-documentable or voucher income. On the basis of DHS records of recipients' household income at baseline, 31 of 638 (4.9% of the sample) households were above the federal poverty line, using poverty statistics in effect at that time (1997 prices).

This is a noteworthy occurrence in that AFDC did not have a history of moving people above that standard (Hacker, 1995, p.92). The U.S. reduces child poverty rates through government assistance by only 4.4 percent (from 25.9% to 21.5%), the worst such performance among comparable industrial nations (Eitzen and Zinn, 2000, pp. 178-186).

The FPL was first calculated in the 1960s on the basis of the cost of a hypothetical nutritious and low-cost food basket multiplied by three because it was believed that food represented one-third of a typical American family's expenditures. The poverty level is adjusted each year for inflation but it does not account for regional differences among the 48 contiguous states. Most poverty experts estimate that the FPL undercounts actual poverty rates because food has decreased as a percent of poor families' expenses, housing and work-related expenses have increased in the 35 years since the index was created, and the thrifty food plan upon which the concept is based is unattainable in real life (Karger and Stoesz, 1998, pp. 123-124; Kendall, 2001, p. 30).

The FPL is limited as a measure of economic well being, and the outcome of slightly less than 5 percent of the sample surpassing the level is modest. Yet, as a baseline finding, this is encouraging as a potential indicator of things to come. FIP's immediate impact of moving a few households over the FPL suggests that over time, as participants take advantage of training, education, job placement, social supports and supplemental services, both the indicators and the magnitude of progress may be more substantial. Alternatively, this was a one-time snapshot of households' income; the picture could change as people's situations change. Household income will be monitored through the duration of this evaluation study.

Characteristics of above-Federal Poverty Level households

When the 31 households with monthly household income above the FPL are compared with the 607 below-FPL households, the significant differences, based on DHS data, are:

- As reported in Table 1 on the following page, 26 of 140 (18.6%) households in which the recipient worked for pay at baseline had monthly incomes that placed the household over the federal poverty level (FPL calculated by adding all earned and unearned income, cash benefits and income disregard). In contrast, five (1%) of those who were not employed were above the FPL. And in 26 of the 31 above-FPL households (83.9%) the recipient was employed [$p<0.00$]. The employed above-FPL respondents averaged significantly more cash from the income disregard mechanism (\$517.09 [$n=24$] vs. \$350.97 [$n=102$]) than below-FPL families [$p<0.00$].

Table 1: Income by employment status

Household Income> FPL							
		Yes		No		Total	
		#	%	#	%	#	%
Beneficiary is employed	Yes	26	18.6	114	81.4	140	100
	No	5	1.0	493	99.0	498	100
	Total	31		607		638	

P<0.00

*Sources: DHS (RI income data); US Federal Register (1998), 63(36), pp. 9235-9238 (FPL levels based on 1997 prices).

- The average hours per week at work for those above the poverty level was greater (31.3;n=25) than those below (20.8;n=113) [p<0.00].
- The baseline month's salary averaged \$809.62 (26 above FPL respondents) v. \$502.40 (114 below FPL respondents reporting) [p<0.00].
- Gross earned income (average of 809.62 [n=26]) and income disregards (average of \$517.09 [n=24]) were significantly higher for the above-FPL households than the below-FPL households (\$547.29 [n=102] and \$350.97 [n=102], respectively).
- In addition to employment, SSI was a significant contributor to surpassing the FPL. Of 49 households (7.7% of the sample) with SSI income at baseline (averaging \$548.02 per month), nine (18.4%) were above the FPL, compared with 22 of 588 without SSI income (4.0%) [p.<0.00]. Those nine households with SSI income represent 29 percent of the 31 households above the FPL; for eight of the nine, the amount of their SSI income was the margin that placed their households above the FPL (25.8% of the above-FPL families). One of the eight households (in which SSI income was the margin for exceeding the FPL) also received Unemployment Insurance that, if removed, would push that household below the FPL; another received both SSI and other unearned income, either of which was sufficient, when added to earned income and income disregards, to move the family above the FPL.
- Other (non-SSI) cases in which unearned income was the margin by which households' income exceeded the FPL were: those receiving Temporary Disability Insurance, Social Security, Unemployment Insurance, and other unearned income.

- Above-FPL households were smaller than below-FPL households. Of the 31 above-FPL families, 24 (77.4%) consisted of three or fewer people, compared with 350 of 607 (57.7%) below-FPL families [$p<.05$]. Above-FPL families averaged fewer children (1.68 [$n=31$] vs. 2.14 [$n=599$]) and total people (2.87 [$n=31$] vs. 3.48 [$n=607$]) than below-FPL households [$p<0.02$]. For the sample, this is a factor of the poverty threshold increasing with family size more rapidly than income; larger families averaged significantly greater total income (\$778.65 for 264 families of four or more vs. \$588.96 for 374 of three or fewer) [$p<0.00$] but higher poverty rates.
- While food stamps were not calculated into household income (consistent with official US poverty data), they were important to most of the families in the sample ($n=600$, 94%). There was no significant difference between the 600 food stamp households and the 38 non-Food Stamp households in pre-food stamp total income, but when food stamps were added to income data, the 600 households receiving food stamps had their income increase an average of 33.3% (\$222.26), and 38 additional households' income surpassed the FPL threshold.

One-parent and two-parent cases

The Rhode Island law also emphasized support of families and encouraging parents to stay together. AFDC, the federal and state entitlement program that FIP replaced, discouraged both parents from living in the same home unless one was disabled or unemployed. From the DHS 2000 Annual Report (DHS, 2000): "FIP encourages two-parent families to stay together to better care for and support their children. FIP also helps two-parent families to succeed by guaranteeing child care and health care to those who work but whose income is still low enough that they remain eligible for monthly FIP cash benefits....From April, 1997 to December, 1999, the number of two-parent families receiving financial assistance has increased by 138% (from 492 to 1,169)" [p. 8].

A comparison of one-parent and two-parent FIP households results in evidence that two-parent FIP families are slightly but (statistically) significantly better off. As can be seen in Table 2 on the following page, besides the obvious larger household size, two-parent families have higher income disregard (reflecting greater earned income) and total household income. They have more children and higher levels of participation in WIC. They receive more in food stamps and pay more in rent, which is probably due to having more family members.

Table 2			
<u>Significant differences between one-parent and two-parent cases</u>			
<u>Variable</u>	<u>One-parent case (n)</u>	<u>Two-parent case (n)</u>	
Receive WIC	43.1% (254 of 590)	61.7% (29 of 47)	p<0.02
Average # of people in household	3.36 (591)	4.6 (47)	p<0.00
Average # of children in household	2.08 (583)	2.49 (47)	p<0.04
Average # of adults in household	1.28 (591)	2.13 (47)	p<0.00
Average # of people in household eligible for FIP	2.9 (182)	4.8 (15)	p<0.01
Average monthly salary	\$573.96 (125)	\$938.51 (15)	p<0.01
Average gross monthly household income	\$566.84 (165)	\$1,021.38 (13)	p<0.00
Average monthly FIP income disregard	\$361.17 (113)	\$569.04 (13)	p<0.01
Average total monthly household income	\$655.16 (591)	\$822.04 (47)	p<0.01
Average monthly rent	\$334.43 (123)	\$441.45 (11)	p<0.02
Average monthly food stamp allotment	\$203.43 (591)	\$280.77 (47)	p<0.00

Respondents' Comments

On the open-ended item about how to improve the welfare system, increasing financial assistance was the second-most-mentioned suggestion (n=122; 15.3% of comments [improved treatment by DHS workers, to be discussed later, was suggested 223 times; 27.9% of suggestions]).

Illustrative comments:

- Increase the AFDC and food stamps because it's very hard for some people that don't have parents to help them... [It is] hard to find a two bedroom apartment that's for \$449 a month. They are usually higher these days. Plus food is going up higher and you can't really live on a well balanced diet with fruits and veggies especially for the food stamps for the month.
- There should be more funding for programs for children. I had to go to the food bank last month because the amount of food stamps doesn't get us by. I haven't been eating for the past couple of days so that my child have enough. They don't realize that when children grow they have more needs. They give you a certain amount of food stamps per month but some months have five weeks.
- Why can't you find a way to let people get ahead before you cut cash assistance, child support or food stamp benefits?
- They reduce your benefits when you make too much money, but your ends are not meeting. They take everything on your way up.

- Make sure people are stable before you take it away. Keep us on longer once we start a job until everything is settled.

In sum, in contrast to other states in which caseloads were reduced rapidly, Rhode Island's human investment strategy (which articulated a work support and child well-being priority) showed early signs of effectiveness.

FIP had an immediate positive impact on 2,224 household incomes of families with an employed adult, due to its more generous income disregard than both AFDC and most other states' TANF programs. At baseline, 126 members of the sample (19.7%) were reported by DHS as having some amount of income disregard, ranging from \$1 to \$875.88 (averaging \$382.62). Thirty-one households (4.9% of the sample) had monthly incomes at baseline that placed them above the FPL.

Respondents' comments indicate that there remains some degree of anxiety about financial well-being. This may be attributable to several factors, including their incomplete awareness of the opportunities contained in FIP and the majority was not employed and therefore may not have realized immediate benefits at baseline.

Employment issues

- According to interview data, close to 90 percent of the sample who responded to this item (n=450 of 519 responding; 86.7%) said they had worked at some time in their lives; 18.8 percent of the sample (119 of 638) were employed at the time of the baseline interview.
- DHS data indicate that study participants were employed at baseline, an average of 22.7 hours per week, earning an average of \$561.15 per month (n=143).
- As reported in Table 3 below, almost 40 percent of the sample were involved in work, training or education activities at the time of the baseline interview, which is notable in that baseline data collection occurred early in recipients' experiences with FIP and 61.1 percent (390) had signed FIP plans at that time, according to DHS records.

Table 3		
<u>Employment Training Plan at Baseline</u>		
	N	%
No employment/training plan listed	393	61.6
Employment	87	13.6
Skills training	42	6.6
Education	40	6.3
Job search	30	4.7
Job readiness	21	3.3
Post secondary	20	3.1
Work supplementation	3	.5
Work experience	2	.3

Respondents' Comments

As described earlier, 465 of the 638 (72.9%) sample members responded to the open-ended question asking whether they had any suggestions to improve the welfare system. In that they could make multiple comments, a total of 800 suggestions were made. Fifteen percent (118) of the 800 suggestions (the third-most-frequent category) involved the need for increased assistance in finding employment and practical training programs which would help recipients support their families.

Illustrative comments:

- We need job training with hands on training. It's not enough to just do anything. I need to get a real job which will let me live off welfare.
- We need more programs for the women, more job placements, and more workable hours to fit our schedules.
- People can't get jobs if companies aren't willing to hire us or if they do its only part time. We need more help finding the jobs. [DHS should] advertise openings for welfare recipients.
- It's nice to get people back into the work force but the benefits of work can also be not worth it or necessarily enough.
- (We) need help to get good jobs and stay employed so we can stay off welfare.
- I want them to know that people would need a job paying \$13.00 or \$14.00 an hour to break even with the monetary benefits you receive through welfare. Unfortunately, those are not the jobs that you are trained for.
- In a way, the five year limit worries me because I don't know if it is enough time to get a good job and support my family. If they could give us a little bit more time and provide jobs. I suggest they help the most with job help. And I suggest they find good jobs so we can really get off.

Eight percent (66) of the suggestions (fifth most-frequently-mentioned topic) was an enhanced focus on educational programs. Recipients felt they needed more time and assistance with educational planning, and felt it should be a higher priority within the department. Most of the respondents who included this as a suggestion felt that DHS should not "push a person who is going to school for training to go out and get a job."

- I think it [would] really help if there was jobs that pay good, not \$5.15 an hour. I would suggest if the people can get the chance to get a better education they should so that can get the good job.
- Give more education but in a higher level. Not a training of a few months that may not help to find a job after. They may get a temporary [job] but not permanent. And the people who do not speak English have to start by learning English.

- Teaching English should be a priority, especially for people who are immigrants.
- I agree that people who can work should, but DHS should help continue their education. Just because I have a GED doesn't mean I'll get a good job. I need a degree.
- Educate people. Better training and allow them to go to college. I can't afford to go to college by myself and it is the best way for me to get anywhere.

Discussion: Under FIP, when a recipient is employed for 30 hours or more in a week, that week does not count toward the five year time limit. Also, the family keeps their cash assistance and the first \$170 of earned income per month, and \$1 of every \$2 of earned income above \$170 per month, as long as the family's total countable income is not above eligibility limits. AFDC included mechanisms to reduce cash benefits for employed recipients more quickly than FIP, which allows recipients to keep more money for a longer period of time.

Reasons for not being employed

Participants who were not employed at baseline were asked to identify reasons they were no longer working at their former jobs. They could list more than one reason. Seven reasons were mentioned by 84.4 percent of the respondents (322 of 382) who were not employed at baseline. The single most frequent was pregnancy (19.9%), followed by laid off, fired or quit (13.9%), child care issues (13.1%), seasonal, temporary or part-time employment (11%), injured, disabled or illness (10.5%), recently moved (9.2%) and full-time mother (6.8%). The remaining 119 comments were scattered over seven items.

Long-term cash recipients (60-months or more over all episodes) differed substantially from shorter-term recipients on two reasons for no longer working at their previous jobs (pregnancy/new baby [more of a reason for short-term recipients], recipient's injury, disability or illness [more of a reason for long-term recipients] [$p < .05$]); the pattern is similar when 36 months is used as the comparison.

Transportation issues

The sample represents beneficiaries of the Family Independence Program living in 27 cities and towns in Rhode Island. For purposes of the analysis on transportation issues, particular attention was paid to the five core cities identified by Rhode Island Kids Count as having the highest child poverty rates in the state. These core cities are: Central Falls, Newport, Pawtucket, Providence and Woonsocket.

- Overall, respondents were satisfied with their transportation arrangements, with 31.6 percent of all respondents stating that they were very satisfied and 43.8 percent stating that they were somewhat satisfied. Satisfaction with transportation was highest in Pawtucket, followed by Woonsocket, Newport, Central Falls. Providence residents had the lowest mean scores on transportation satisfaction. All of these average ratings fell within the somewhat satisfied

range. On average respondents spend between 30 to 40 minutes commuting to their work, training or education site.

- Forty-four percent of all respondents stated that public transportation meets their transportation needs. Responses ranged from a high of 58 percent “yes” responses from Pawtucket residents to a low of 30 percent “yes” responses from Woonsocket residents. Newport, Providence and Central Falls “yes” responses were 55 percent, 52 percent and 43 percent respectively.
- Forty-eight percent of all respondents use the free RIPTA bus pass. In Providence and Newport, 66 percent and 64 percent of respondents respectively reported using the bus pass followed by Central Falls (54%), Pawtucket (50%) and Woonsocket (29%). In addition, Woonsocket residents reported a greater distance from home to the bus stop than the residents of the other four core cities. All respondents reported using an average of two bus transfers to get from home to their work, training or education program with Central Falls respondents reporting a high of three bus transfers needed. Eighty-four percent of all respondents lived within five blocks of a RIPTA bus stop.
- The most commonly cited reasons for not using the free bus pass were:
 - Use car or other transportation (n=120; 18.8%)
 - Didn’t know about it (n=62; 9.7%)
 - Too much trouble (n=45; 7.1%)
 - No public transportation available (n=43; 6.7%)
- Twenty-eight percent of all respondents own a car according to the DHS data and 40.8 percent of respondents with cars trust their car to get around.
- Forty-five percent of respondents (n= 122) drive a car to their work, training or education site. Thirty-five percent report taking the bus (N= 97). An approximately equal number of respondents from Central Falls and Newport reported driving a car rather than using RIPTA to get to their work, training or education program. In Pawtucket, twice as many respondents reported using RIPTA as reported driving a car, whereas in Woonsocket, the opposite response occurred. Twice as many Woonsocket respondents reported driving a car than those using RIPTA to get to their work, training or education program. In Providence, 33 percent of respondents drove a car and 50 percent used RIPTA. A much smaller number of respondents in all five core cities reported riding with others, walking or riding a bicycle to get to their work, training or education program.
- The majority of all respondents (55%) take their children to school on their way to work, training or education.
- Approximately 45 percent of all respondents stated that they have missed work, training or education due to transportation problems. Respondents from Central Falls had the highest percent of “yes” responses to this item (62.5%). The majority of respondents in the other four core cities and towns responded “no” on this item.

- As can be seen in Table 4 below, employed respondents were significantly more likely to use a car to get to their work, training or education program (72.7%) than were unemployed respondents (55.4%).

Table 4: Cross Tabulations between mode of transportation and employment status		Employed	
		yes	no
Mode of transportation	Car	48 72.7%	98 55.4%
	Bus	18 27.3%	79 44.6%
Total		66 100.0	177 100.0

$p < 0.010$

Respondents' Comments

Fifteen suggestions were to improve Rhode Island's transportation system. Respondents cited difficulties in utilizing mass transportation while securing and maintaining employment. They suggested additional money for the purchase of a car, the maintenance of a car, or the payment of insurance. "They should offer people a way to purchase affordable transportation so they can get from point a to point b," said one recipient. And another woman said, "it is very difficult to make ends meet. [I'm] not able to afford mandatory insurance but need a car. It's impossible to keep up with expenses."

Family issues

Family composition. The modal household was three people (206; 32.3%); the average was 3.45. The average number of adults per case was 1.36. Children per household ranged from one to eight, with a mode of one child (241) and an average of 2.11 children.

The primary languages spoken in participants' homes were: English (78.2%); Spanish (16.9%); Cambodian, Hmong or Laotian (4.7%); other or no response (0.2%).

Housing, rents and evictions

The interview included four questions about respondents' views of their housing situation: comparisons of current and last year's housing situations (for those who moved during the year), satisfaction with the amount of space in their homes; safety of their neighborhood during the day and at night.

- 286 out of 622 respondents to this interview item (46%) reported having moved during the year prior to the baseline interview
- 217 of 278 respondents (78.1%) who moved and replied to this question said their living situation was about the same or better compared to the previous year.
- 441 of 616 respondents (71.6%) were satisfied with the amount of space in their home.
- According to DHS data, 144 (22.6%) moved to Rhode Island during the previous year. In interviews, 341 (53.4%) reported ever living in other states.
- When asked by interviewers for reasons for moving to RI, at whatever point in the past that may have occurred:
 - 72 (21.1%) reported “push factors” (e.g., family and/or housing problems)
 - 268 (78.9%) indicated “pull factors” (primarily family/friends [224; 65.7%]).
- 582 of 635 respondents (91.7%) said their neighborhood is safe during the day and 512 of 635 (80.6%) said their neighborhood is safe at night.
- Self-reported safety and satisfaction with the amount of living space did not differ by whether housing was subsidized.

The average rent was \$342.42 per month, a figure that is deflated by the families in subsidized housing. According to DHS records, 240 sample members (37.6%) were receiving housing subsidies at baseline. Rent-subsidized families averaged \$259.23 per month in rent (n=48); non-subsidized families averaged \$389.39 (n=85) [p.<0.00].

According to interview data, thirty-two (5.2% of those who responded to this item) reported having been evicted during the previous year.

Respondents' Comments

A suggestion mentioned by a small number of recipients (28 of 800 suggestions) was housing assistance; some of whom said it was their greatest obstacle. They stated they had been unable to access much help and suggested it become a more significant aspect of services. As one woman said, “My biggest problem is trying to find housing. I feel like I have no one to turn to and really need help with housing. If this could be part of the program more immediately, it would really help.”

Child well-being issues

Besides Food Stamps and RItCare (Rhode Island's medical assistance program) for low-income children, parents, and pregnant women, for which participation is routine, this sample is largely benefiting from nutrition programs, which vary in availability and eligibility on bases of children's ages and school district participation. As reported in Table 5, according to interview data, participation in the three nutrition programs:

- WIC: 281; 44%;
- Free/reduced-cost breakfast: 279; 43.7%
- Free/reduced school lunch: 378; 59.2%

Table 5
Breakdown of participation in WIC, school breakfast & lunch programs (interview data):
All or nothing (192-30.1%):
<ul style="list-style-type: none">• 96 (15%) receive none of the three• 96 (15%) receive all three benefits
Receive one of the three programs (244; 38.3%):
<ul style="list-style-type: none">• 158 (24.8) receive WIC only• 2 (0.3%) receive free/reduced cost breakfast only• 84 (13.2%) receive school lunch only
Two out of three programs (202; 31.6%):
<ul style="list-style-type: none">• 6 (0.9%) receive WIC and free/reduced cost breakfast• 22 (3.4%) receive WIC and school lunch• 174 (27.3%) receive breakfast and lunch programs

Children and parental involvement in employment

In interviews, about one-third of the respondents (175 out of 537, 32.6%) reported being unable to work in the previous year due to a child's needs. More than half (261 of 483 reporting, 54%) reporting having missed an average of 14 days of employment, training or education activities over the last year, due to their children's needs. Of 250 respondents who rated their childcare providers, 233 (93.2%) said the providers were excellent or good. Seventy-three respondents reported changing their childcare provider over the past year, most often due to "dissatisfaction with the provider" (13) or a location issue such as the provider or respondent moved (10); 85.6% of respondents (226 of 264) were satisfied with their childcare plans.

Respondents' Comments

Discussion: Under the FIA, child care is an entitlement for families whose income falls within 225% of the federal poverty level. Comments about waiting lists and difficulty paying for child care may reflect factors such as recipients' knowledge of available support, facility-based waiting lists and/or market-based cost increases.

Suggestions regarding child care were mentioned in 6.5% (52) of the comments by those interviewed.

Illustrative comments:

- I need them to not only tell you to look for day care and they'll pay for it, but help you locate it.
- I need more help with day care. Less hassle to square up and quicker availability for child care.
- Wish they would be more flexible with paying for daycare. Need help paying for daycare once a person is working. Most parents would be willing to pay the difference for daycare but it's not allowed now.
- I don't feel they should make you do at least 20 hours of work a week to be eligible for day care. It should be any amount of hours per week.
- Problem is child care. Don't have a problem working and going to school, but child care rules are too stupid. Shouldn't put a time limit on child care. If a person is working should be able to get child care no matter how many hours person is working. It is better that person is working.
- If they are healthy and have healthy children, go for it. But if they have sick children they should be able to stay and take care of their special needs children.
- I don't want to put my kids in day care where they may be abused; no one can take care of my kids the way I do.
- Many mothers are going to be impacted, some need to be at home with their children because of low income living situations in the early years.

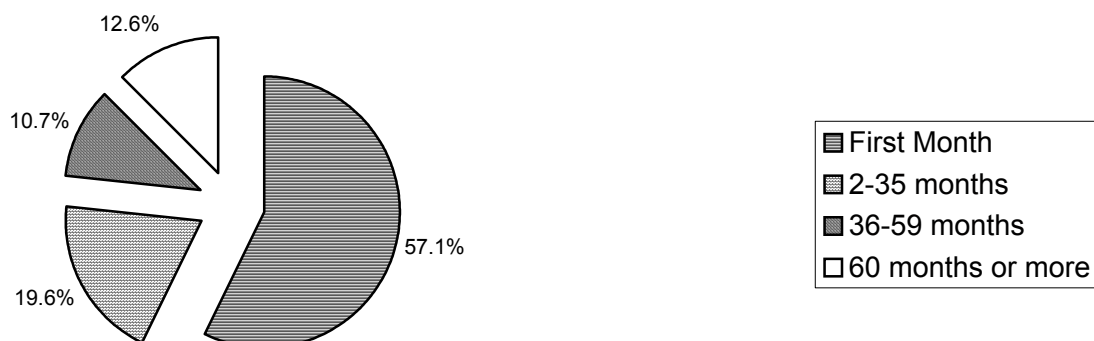
Discussion: The Family Assistance Act established an entitlement to child care assistance for FIP parents in approved education or training programs, or who are employed. Also, Rhode Island provides a subsidy for low income employed families with incomes up to 225% of poverty (regardless of previous FIP experience). A statewide free childcare resource and referral system, Options for Working Parents, is funded by DHS at the Greater Providence Chamber of Commerce.

History with the Rhode Island Department of Human Services (DHS)

This section examines the respondents' history with the Rhode Island Department of Human Services. One aspect of history is total accrued months on cash assistance over all episodes, including AFDC and FIP. We looked at 0-35 months, 36-59 months and 60 and more months, consistent with earlier research that identified those intervals as landmarks (Brock and Harknett, 1998). As reported in Figure 2, according to DHS InRhodes data the majority (57.1%) of the sample was in their first month of cash benefits; another 19.6 percent was in their second through 35th month. The remaining 23.3 percent had more than 35 months of cash benefits. The average was 19.5 months of cash assistance; the range was from the zero to 263 months before the current month.

In addition to total months on assistance, a measure of previous history is numbers of episodes of receiving benefits (i.e., qualifying for cash assistance and then going off assistance). Total episodes, including the current one, ranged from one to six, averaging 1.7 times. The mode was one time (the current episode) (532; 83.4%); 627 (98.3%) were on cash assistance three times or less. It is likely that these sample characteristics were consequences of the sampling process. The sample was drawn at DHS offices and excluded child-only cases.

Figure 2
Total Accrued Time on Cash Assistance



There were very few significant differences between the 60-month-or more in comparison to the under-60 months total in all cash assistance episodes subgroups. The only statistically significant differences were found in the comparison of racial/ethnic groups.

- Race/ethnicity: Blacks were over-represented in the 60-month-or-more group (22.1% [31 of 140]). Hispanics and Asians were under-represented (7% of Hispanics [9 of 129] and 4% of Asians [1 of 25] have more than 60 months of cash assistance)). Whites represented 22.1 percent of the sample (70 of 317). The sample average was 12.7 percent with 60 months or more on cash assistance [$p < .01$]).

Differences across the 36-month factor.

- Education: Respondents with more than 36 months of cash assistance ($n=135$) averaged 11.4 years of school; less than 36 months ($n=478$): 11.0 years [$p < .05$].
- Times on cash assistance: More than 36 months ($n=136$): average of 2.7 times on welfare; less than 36 months ($n=500$): 1.4 times [$p < .00$].
- Race/ethnicity: Blacks were over-represented in the 36-month-or-more group (30% of Blacks [42 of 140]); Hispanics and Asians were underrepresented (16.3% of Hispanics [21 of 129] and 8% of Asians [2 of 25] have 36 months or more of cash assistance); Whites about representative (22.1% of Whites [70 of 317]). The sample average was 21.3% with 36 months or more on cash assistance [$p < .01$]).

Respondents' Comments

Time limits accounted for 12.1 percent (97) of respondents' suggestions. As noted earlier, DHS policies allow FIP recipients to work 30 hours or more per week without that time counting toward their eligibility time limits. This was a change that occurred after the baseline period but applies to all FIP recipients.

Illustrative comments:

- I wish the welfare reform can help people more than five years. I would like the people in charge of FIP to think about if they are new to another country like us what would they do too.
- We don't want to depend on welfare but it is because we don't know how to speak English.
- After five years they shouldn't just cut off. Cut off should be related to each individual case... and it's good that after two years they try to get us to work, but those who are trying should be separated from those who don't. Look at why they're not trying and help them, don't cut them off.
- Review each case individually because each case is different and everyone has different needs. Five years is not enough. Maybe 10 years.
- There are people who need the help for more than five years. In my experience most workers treat people as numbers and not as individuals."

Knowledge about programs

The final quantitative item on the interview is a list of nine facts about FIP and asking respondents whether they were aware of these facts, all of which could directly affect them. The research question addressed by this item is whether information about the basic changes in welfare was getting out to recipients. As reported in Table 6 on the following page, knowledge about welfare reform components that affect participants varied from about 25% to almost 90% at the time of the baseline interview.

Table 6
<p>Percent of respondents who knew various facts [Note: some FIP policies have changed since the baseline period]</p> <p>42.4%: FIP recipients are entitled to child care up to 185% of poverty level. 53.4%: FIP recipients who are closed to cash assistance due to employment are eligible for up to 18 months of Medical Assistance. For their children under the age of 18, they are eligible for Medical Assistance up to 250% of poverty level. 57.6%: Employed FIP recipients are eligible for Earned Income Tax Credit. 38.9%: Employed FIP recipients are allowed to earn more for longer before FIP cash payment is reduced. 67.6%: FIP Head of Household is subject to a five year lifetime receipt of Cash Assistance once FIP plan is signed (unless there is an exemption). 48.2%: Two parent households are eligible for FIP. 26.2%: Licensed family child care providers are eligible for health insurance. 87.5%: FIP/RIte CARE recipients are eligible for free RIPTA Bus Pass. 51.6%: FIP minor teen parents must live at home or in an approved setting or under certain circumstances can live on their own under supervision of ASSC.</p> <p>The single most frequent source of information was a DHS staff person, which was cited most frequently for each of the nine items.</p>

Experience with Rhode Island Department of Human Services (DHS)

Respondents rated DHS and their FIP experiences favorably at baseline: of those responding to each of the following items, 56.8 percent (230) said they had participated in the development of their FIP plans; 84.7 percent (354) were satisfied with their FIP plans; 82.9 percent (416) were satisfied with their DHS case manager; 77.8 percent (485) reported having contact with their FIP case worker; 82.4 percent (425) said their DHS FIP case manager was very or somewhat available; 72.4 percent (368) rated their DHS case manager's time and attention as adequate.

Respondents' Comments

The largest category of suggestions pertained to DHS implementation and administration (27.9%; 223). These suggestions included improving the attitudes by DHS workers toward recipients (89), improving the administration of benefits to provide more client-centered help for recipients (80), and improving the dissemination of information about new policies under FIP (54). The specific suggestion of improving staff attitudes toward recipients accounted for the largest single suggestion made by recipients; treatment of clients by workers was quite important, as seen in their comments on the following page.

Illustrative comments:

- It [welfare reform] would work if everyone did their jobs without degrading recipients. Have workers switch roles with recipients to see what it's like to be degraded. Have surprise inspections. Have someone come down from state offices to see how the recipients are being treated.
- Train the workers better. Be more respectful.
- Pay more attention to people on FIP. We are people with certain needs, not basket cases. Remember I am also human.
- I wish case workers would be more open; case workers look down on clients. I wish case workers would be more supportive to clients and offer more ideas.
- Explain the program better and answer questions. [DHS is] basically doing a good job, but give out more information.
- Advertise the changes. Send out information. Be clear about what we can get. Have people in the offices informing people about the changes.
- I would suggest that they tell the people on FIP about the new rules and the new plans on what's going on with FIP and let them know.
- I was told I couldn't go for my GED first before going to work. I had to go ahead and do it on my own. After that they had to go along with me.
- I think we need more money. People who have a lot of money and who make the rules for welfare reform should live on what we live on. Let's see if they can do what we live with every day.
- Take money from the politicians instead of from mothers with families.

Other suggestions for improving the welfare system

In addition to the six most frequently made recommendations by recipients, there were other suggestions which received multiple mentions. Recommended in a number of the suggestions (32) was a stricter welfare system, as some recipients believed DHS was too lenient on those who "abuse the system." Suggestions included drug testing, shorter time limits, a limit on numbers of children, and restrictions for immigrants. As a recipient stated, "Why do they let people who are not US citizens receive welfare. It is baffling. If people who are lazy know they can get it they will have children while taxpayers support them..."

Additional numbers of respondents suggested extending or continuing medical care (19), improving the transportation system (15), and improving child support enforcement (8).

Summary

The sample of 638 FIP participants (3.4% of the state caseload) was drawn during the time DHS was implementing welfare reform by engaging people in FIP plans. The sample was reasonably representative of the overall state caseload at the time the study began. All study participants were interviewed by students and faculty members from the Rhode Island College School of Social Work, who also collected data from participants' DHS records, with explicit permission granted by participants. Interviews were conducted in participants' preferred languages. This process of interviews and file reviews is scheduled to continue for a five year period. Every category of questions is scheduled to be asked at each phase of the evaluation study.

The state's program allows participants to keep some earned income in addition to cash assistance, on a decreasing basis as earned income increases. This "income disregard" approach of investment in people is a contributor to moving 31 households in the sample (4.9%) over the federal poverty level. This is an historic occurrence in Rhode Island as income transfer programs rarely have been documented as moving people above the FPL in the past. Almost 20 percent of the sample who were employed when FIP was implemented immediately experienced improvements in their families' income. In that almost 90 percent of the sample reported that they had worked for pay in the past, the policy of rewarding work through an income disregard mechanism appears to be an appropriate welfare reform component. There is reason to be concerned about the adequacy of family incomes after their five year time limits expire.

Besides employment (hours working for pay, earned income and income disregard), other factors that were associated positively with total household income and contributed to moving some households over the federal poverty level were having a household member who received SSI income, smaller families and fewer children, and two-parent cases. Food stamps were very important to 94 percent of the sample households, averaging \$222.37 per month for 600 households. If food stamps were added to cash income, 36 additional households would have sufficient income to surpass the federal poverty level.

Housing and child well-being data were mixed. The vast majority of the sample said they live in safe neighborhoods (day or night). Almost 40 percent of the sample received a housing subsidy. But almost half of the sample moved during the previous year, mostly to improved situations; five percent of the sample had been evicted during the previous year. Participation in children's nutrition programs was high (all but 15% in at least one such program). But of those reporting, one-third had been unable to work in the previous year and half had missed an average of almost three work weeks due to children's needs. Of those with childcare arrangements, almost 90 percent were satisfied with their arrangements but almost one-third had changed providers during the prior year.

In view of these findings from quantitative data, it is also noteworthy that on all of the satisfaction questions asked in interviews, respondents were overwhelmingly satisfied. On qualitative questions (overall feelings and suggestions regarding welfare reform), the majority of comments were positive or mixed but more critical of DHS and welfare policies than the quantitative data. In

particular, respondents expressed criticisms of their treatment by DHS personnel and made suggestions about such policies as the five year time limit, levels of cash assistance, and the need for more non-cash supportive services.

Overall, the area in which the sample at baseline presented the clearest picture is employment. The work ethic is evident in this population. Very large percentages worked in the past and are oriented to working in the future. For 4.9 percent of the sample, hourly wages combined with hours working per week, income disregards and other sources such as SSI, total household income exceeded the federal poverty level.

For those not employed, three major categories of reasons for having left previous jobs were identified in interviews: pregnancy (19.9%), laid off, fired or quit (13.9%) and child care issues (13.1%). In addition, while most respondents reported satisfaction with their transportation arrangements and were highly aware of their eligibility for free RIPTA bus passes, there was considerable disparity among study participants about the adequacy of public transportation on the basis of town or city of residence. Those with jobs were significantly more likely to have reliable cars for everyday use.

In general, this sample appears to be satisfied with their early experiences with welfare reform, optimistic about their futures, and benefiting from the work incentives encompassed in the law. The sample also appears to be at-risk. In each category of inquiry, there is evidence of challenges to families' well-being. For example, should FIP income disregards and/or supplemental support programs like SSI decrease or discontinue, the advantage of working disappear due to low wages and work hours.

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APPENDIX A: Methodology and description of the sample

Methodology

Research Design

This research study utilizes an exploratory and descriptive design to gather data that examine the impact of welfare reform on former and current Rhode Island FIP beneficiaries. This study reports on the baseline of a longitudinal study, in which the research participants are contacted annually for a planned five-year period, for updates on the impact of welfare reform.

The sample for this research study consists of 638 FIP program participants who agreed to be interviewed and to have their DHS electronic case records reviewed by a member of the research team. The sample was drawn during a two-year period, February 1998 through February 2000, but the vast majority of the sample was interviewed between August 1998 and August 1999.

The interviews were conducted by trained student interviewers and research assistants mostly at DHS offices around the state. Case record reviews were conducted following the initial face-to-face interview. In follow-up phases of the longitudinal study, case record reviews will also be conducted after the annual follow-up telephone interview.

Prior to the initial contact with the study participants, interviewers and research assistants signed “Statements of Agreement” with regard to the confidentiality of DHS client data in order to protect FIP beneficiaries’ confidentiality as mandated by the Department of Human Services. The signed confidentiality agreement, coupled with the participant’s informed consent allowed the researchers access to each participant’s electronic case record (InRhodes data file). Each participant’s Case Record Review and Interview Protocol was assigned a code number by the research team. No names or other identifying data are indicated on any of the data collection forms in an effort to further protect the confidentiality of each participant.

Before the start of each interview, the interviewer reviewed the Informed Consent Form with each participant. Both the participant and the interviewer signed two copies of the Rhode Island College Informed Consent. One copy of the consent was given to the interviewee and the second copy was kept secure in a locked file at Rhode Island College School of Social Work. As an incentive for participation in the study each participant was given ten dollars for every interview in which they participated.

Sampling

The unit of analysis or the population relevant to the research question included those individuals in Rhode Island who were in receipt of FIP benefits (Family Independence Program) at some time on or after May 1 1997, the date of implementation of the Rhode Island Family Independence Program. The sampling procedure initially planned for the study was random sampling. Due to logistical difficulties in obtaining a random sample, a non-probability quota sampling technique was used. Quota sampling was used to obtain proportional representation from all areas of Rhode Island and on other key demographic data such as ethnicity, family composition, employment status, etc. The goal was to obtain a sample that was representative of the population of FIP recipients for the entire State. The sample for this study was compared to the DHS aggregate data reports for the State caseload for the same period of time in which the sample was taken.

The study participants were identified and selected using one of the following methods:

1. DHS workers informed the participants about the study or participants saw a flyer/poster about the study in their local DHS office, and they signed a DHS consent form giving the research team permission to contact them about participating in the study.
2. The participant came into one of the DHS offices on a day when the research team was conducting on-the-spot interviews, and agreed to participate in the study while waiting to see his or her DHS worker.
3. The participant attended one of the Employment Options Workshops on a day the research team was conducting on-the-spot interviews, and agreed to participate in the study at the conclusion of the first morning's workshop. These workshops are held throughout the State by the Displaced Homemaker Center, a division of a community action agency with a subcontract with DHS to conduct these workshops for DHS referred FIP beneficiaries.
4. The participant came into a community based agency serving one or more limited English speaking communities on a day that a bilingual member of the research team was conducting on-the-spot interviews, and agreed to participate in the study.

Data collection

There were two instruments used for baseline data collection: the Initial Interview Protocol and the FIP Case Record Review. These instruments were developed with input from students and faculty at Rhode Island College School of Social Work, from key staff of the Rhode Island Department of Human Services and from other knowledgeable Rhode Island welfare reform experts and advocates.

The interview consisted of forced-field and open-ended items examining respondents' perceptions of welfare reform in Rhode Island. Sections addressed topics like employment, employment history and views about work; transportation; housing; children, child care and child

well-being; health; and socio-demographic data. At the conclusion of the 40-minute interview, there were three open-ended questions: respondent's feelings about welfare reform, suggestions they might make to improve the program, and any other comments.

The instruments were field tested initially with the Department of Human Services Childcare Advisory group and a later version was field tested with students who were on FIP and involved in a literacy education program at Dorcas Place in Providence, Rhode Island. The field-testing of the Initial Interview Protocol took place in December 1997. Following both field-testing trials, modifications in the instruments were made. The initial instruments were finalized in January 1998.

Each student interviewer was required to participate in a one-hour training program provided by members of the Welfare Research team. All interviewers had to complete this training prior to conducting their first interview. Two knowledgeable DHS staff members conducted the training in the use of the DHS INRHODES system. These staff members have been available to the research team on an ongoing basis as needed.

The interview instrument's validity was tested in two ways. At the time of its construction, precious little literature existed in the field of welfare reform evaluation; the national policy was in its first year. Internet sites were reviewed for information on instrumentation and design. Second, for concurrent validity, the questionnaires included several items that could be verified through the DHS data base, and the results were highly consistent with those independently-collected data. Finally, the field-test data were compared with the participants' DHS electronic data files (with their consent) and the results were highly consistent. After the instruments were constructed, the research project directors attended two national social work conferences and presented papers on the study's design and proposed instrumentation, seeking reactions from attendees on the content validity of the proposed questionnaire. The responses consistently validated the instruments.

Limitations of the study

One limitation of this study is the problem of selection bias due to the use of a non-probability quota sampling strategy rather than random sampling. The bulk of the sample was drawn by having interviewers at DHS offices at various times. Signage, interviewers' visibility and interview settings (i.e., convenient space and privacy), timing during the monthly client-traffic cycles and language translation issues may have contributed to sampling error. During the baseline phase a number of participants may have been motivated by the \$10 payment. These factors raise questions about the sample's representativeness and internal validity factors such as socially desirable responses and other reactive effects. Regarding the former (representativeness), comparisons were conducted between the sample and the total DHS recipient population during the baseline period, with generally positive results, as reported in the findings section.

Ethical issues

In order to address potential ethical issues which could arise during the course of this study, the research protocol and informed consent procedures were submitted and approved in October, 1997 by the Rhode Island College Committee on Human Participants in Research (IRB). The study was also reviewed and approved by the Rhode Island Department of Human Services Legal Division. During the instrument design and pre-testing stage, questions which the research team or key informants thought could potentially harm the participants in some way were discarded. Confidentiality of data was also a critical concern. The confidentiality of each participant's data is maintained by assigning a number to his or her case information and maintaining a separate locked file for all forms containing any identifying information (i.e., informed consent forms and receipts for the ten dollar interview stipend which is required by the college auditor). Informed consent forms, interview guides and case record review forms were translated into Khmer (Cambodian), Laotian, Hmong, Portuguese, Russian and Spanish in order to accommodate the dominant limited English-speaking groups residing in the State.

A note about the data and methodology of qualitative research in this report

The intent of the qualitative component of this report is to provide both an overall snapshot of recipients' priorities regarding welfare reform, and an understanding of the range of their responses. To achieve this goal, interview responses were reviewed to identify themes and broad categories of concerns. The issues that emerged were tallied, categorized and subdivided when necessary. The answers provided by the recipients were often quite brief, many only one or two sentences. This made the process fairly straightforward but mistakes are possible as the data are being interpreted. All efforts were made to categorize responses while remaining true to the meaning and intent of the recipients' comments.

It is important to understand that many factors may impact the responses in this study. First, some of the recipients may not have felt empowered to provide comments on the qualitative portion of the instruments, or may not have been completely forthright in their answers. A number of reasons may contribute to this reluctance. Although all of the recipients were told that the information is confidential, the interviews were conducted at DHS; some recipients may remain worried that they will be penalized for answers which seem overtly critical of DHS. Others may feel their status as recipients diminishes the importance of their opinions. As one woman said, "I don't know what to say, I never encountered that question before. No one ever asked what I thought."

Other recipients may feel beholden to DHS for any help they receive and may be reluctant to make suggestions seeking wide ranging policy change. Given the reality that some aspects of welfare can be disempowering, it must be understood that some recipients may have policy suggestions that remain unstated or program ideas which are minimized. As one woman replied when asked for her suggestions, "I appreciate the help. I have no suggestions."

Some recipients may not have been disempowered but may have lacked the time after a long interview. Many may have had children who wanted to leave, errands to run and responsibilities to meet. This page was the last page of the instrument; this could have impacted those who did not provide answers.

The impact of culture also needs to be mentioned. Immigrants may not have felt comfortable answering the questions for a number of reasons. First, authority or state programs may not often be questioned in their countries of origin; commenting on these questions may be considered dangerous or disrespectful. Second, some immigrants may feel anxious or ungrateful to try and change a system that is helping them. One Hispanic woman simply said, “thank you.” Another stated that “I feel I am not able to suggest anything because I am not a citizen.”

Additionally, the qualitative answers may be affected by the quantitative section of the welfare evaluation. The page which precedes these questions is a page which lists the opportunities afforded under FIP. It is possible this could skew the answers as recipients are being informed about the changes during the interview. For instance, in answering how she felt about welfare reform, one woman said, “everything that has just been explained to me is good.” She may not have been told about these programs by social workers at DHS but only informed by the interviewers. Therefore, she may have had less information, and different answers, had the study not been done. The testing impact could be significant.

Finally, the period of time these interviews were conducted could also greatly affect the answers. Baseline interviews were done during the engagement of recipients in FIP plans. Some were engaged in work, training or educational activities but many were not. The full extent of welfare reform, both positive and negative, may not have been known at the time the baseline was finished; needs and suggestions were based only on that moment in time. Concrete service needs such as child care and transportation, for instance, may become more important as the recipients are further involved in training and education.

Representativeness of the sample

When the sample of 638 is compared with the state caseload in April 1997 (implementation of FIP), the 3.4 percent sample emerges as similar on the bases of geographic distribution within the state, ethnicity, education, and family structure. Divergence between the sample and the full population varied from 0.2 percent to 9.6 percent on all but two items: the sample under-represents two-person cases by 12.5 percent and people in their first cash assistance episode by 11.9 percent. The sample also excludes by design child-only cases; the comparison state caseload in April 1997 (16,032) excludes child-only cases also.

Geographical distribution

Providence, Central Falls, East Providence and Woonsocket are closely represented (within 2.3%); Cranston, Newport and West Warwick are over-represented by 3.3 percent to 6.2 percent; Warwick, Pawtucket and smaller communities (“remainder”) are under-represented by 2.7 percent, 6.9 percent and 6.9 percent, respectively. When the five cities comprising metropolitan Providence

are combined (Providence, Pawtucket, Central Falls, Cranston and East Providence), the sample (418; 65.5%) is very representative of the DHS caseload (10,419; 65.0%). People from Woonsocket, which is located in the northwest corner of the state, comprise 7.6 percent of the caseload and 9.9 percent of the sample. The sample most seriously under-represents the state's smaller communities (by 6.9%); it under-represents Warwick and over-represents Newport and West Warwick by approximately equal percentages (between 2.7% and 3.6%). In sum, the sample is highly representative of the caseload in terms of urban areas, with the exception of over-representing Newport, and it under-represents suburban, smaller and more rural communities by up to 6.9 percent.

	Sample (638)		DHS FIP CASELOAD 4/97 (16,032)		
<u>City</u>	<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>	
Providence	265	41.5	6405	40.0	
Cranston	74	11.6	862	5.4	
Woonsocket	63	9.9	1226	7.6	
Newport	42	6.6	535	3.3	
W. Warwick	40	6.3	436	2.7	
Pawtucket	29	4.5	1824	11.4	
Central Falls	27	4.2	735	4.6	
E. Providence	23	3.6	593	3.7	
Warwick	11	1.7	709	4.4	
Remainder	64	10.0	2707	16.9	
Total	638	99.9%	16032	100.0	[rounding]

Race and Ethnicity

Similar to geography, the sample approximates the full caseload, with the largest divergence amounting to 8.4 percent (over-representation of Black/African Americans). Whites were underrepresented by 4.1 percent and Hispanics were underrepresented by 3.6 percent.

	Sample (638)		FIP Caseload 4/97 (16,032)	
	<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
White/Caucasian	316	49.5	8593	53.6
Black/African American	139	21.8	2148	13.4
Hispanic	129	20.2	3815	23.8
Asian	26	4.1	629	3.9
Native American	3	0.5	35	0.2
Other/No Response	25	3.9	812	5.1
Total	638	100.0	18,509	100.0

Education

The sample is very similar to the overall FIP population on educational attainment, slightly under-representing low education and slightly over-representing higher education. The largest differential is 3.5% (more than high school). On all other items, the sample is within 3% of the FIP population.

<u>Grade Completed</u>	Sample (638)		FIP Caseload 4/97 (16032)	
	<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
1-6	15	2.4	537	3.3
7-8	48	7.5	1,260	7.9
9-11	202	31.7	4,967	31.0
12	256	40.1	6,870	42.9
13+	92	14.4	1,753	10.9
Not Reported	25	3.9	636	4.0

Household composition

The sample is skewed in the direction of higher-person households, over-representing four- to five-plus-person households by 15.4 percent (41.4% of the sample compared to 26% of the caseload). It under-represents two-person households by 15.9 percent (25.2% of the sample compared to 41.1% of the caseload). The sample's modal household is three people; the full population's is two.

	Sample (638)		FIP Caseload (16039)	
<u>Persons</u>	<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
1	6	0.9	375	2.3
2	161	25.2	6,585	41.1
3	207	32.4	4,912	30.6
4	151	23.7	2,606	16.2
5+	113	17.7	1,561	9.8

Housing

The sample over-represents people with housing subsidies (37.8%) in comparison with the DHS caseload (28.0%).

Episodes of cash assistance

There was a large difference between the sample and the DHS caseload in terms of percent in their first cash assistance episode (vast majority of cases): 56.3 percent of the sample compared to 68.2 percent of the caseload was in their first episode. The difference virtually disappears when first through third episodes are compared: 93.6 percent of the sample and 97.4 percent of the caseload were in their first, second or third episodes.

Episodes of Cash Assistance in Rhode Island		
<u>Episodes</u>	<u>Sample (638)</u>	<u>DHS Caseload (16,032)</u>
1	359 (56.3%)	10,929 (68.2%)
2	172 (27.0%)	3,492 (21.8%)
3	66 (10.3%)	1,194 (7.4%)
4+	39 (6.1%)	417 (2.6%)
Not reported	2 (0.3%)	0

In sum, the sample is representative (ratings vary by less than 10 percent) of the overall DHS FIP caseload (both exclude child-only cases) at the time the baseline sample was drawn on several variables: geographic distribution, ethnicity and education. The sample under-represents two person cases and first-time recipients. It over-represents households receiving housing subsidies (e.g., Section 8 and public housing). Findings in follow-up stages will be considered in terms of these sampling issues.

APPENDIX B:

FIP legislation and implementation timetable

<u>Name of Program/Law</u>	<u>Enactment/Passage/ Approval Date</u>	<u>RI Implementation Date</u>
Family Independence Act Section 10 (FIP) (96-H 8603Aam)	August 2, 1996 effective date 5/1/97	May 1, 1997
PRWORA (PL 104-193)	August 22, 1996	May 1, 1997
FIA Technical Amendments (97-H 6987AA)	June 27, 1997, effective date 7/1/97: Aliens FIP Drug Felons Hardship 20% Child Support Non-cooperation 25% Sanction 2-Parent Family Work Requirement Changes Allow Elimination of Monthly Reporting Emergency and Catastrophic Assistance IDA DV Screening, Waivers Drug Felons	Not implemented May 1, 2000 No explicit policy yet June 1, 1999 January 1, 1999 July 1, 1999 December 1, 1999 Not implemented May 1, 1998 May 1, 2000
RIte Care (RIGL 42-12.3)	July 28, 1993, Waiver application 11/1/93	July 1, 1994
Starting Right (98-H 84778aaa)	June 25, 1998 Effective Dates: Eligibility Levels: 200% FPL, 01/99; 225% FPL, 7/99 Youth Care: through age 14, 01/99, age 15, 7/99 Health Coverage for Center-based Care Providers: 1/99, 50% DHS kids 7/99, 40% DHS kids Provider Rate Chgs: 7/99	January/July, 1999 January/July, 1999 July, 1999 January, 1999 July, 1999 July, 1999